

PURCHASING UPDATE



Utah Division of Purchasing and General Services

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Software Procurements – Maintaining Privacy and Avoiding Algorithmic Bias

By Solomon Kingston, Contract Analyst

In February 2021, the Utah State Auditor's Office released key recommendations regarding the purchase of advanced software technologies. Its recommendations are found within these 2 publications:

1. [Software Application Procurement Principles for Utah Government Entities \(available here\)](#)
2. [Questions from the Commission on Protecting Privacy and Preventing Discrimination \(available here\)](#)

State and local government entities should review these recommendations. Assess what key principles and questions outlined therein ought to be included in your Information Technology procurements. Specifically, when procuring advanced software technologies, how have you ensured:

1. That a procured software application maintains requisite privacy controls for collected data?
2. That controls are in place to protect against potential algorithmic bias within a software?

The procurement of software applications ought to include principles where vendors are to minimize data collected by their software to a minimum. An application should collect no more data than it needs to perform its function. The application should not retain sensitive

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JUST THE FAQs

PPE Frequently Asked Questions

By Cherilyn Hess, State Contract Analyst

2. Where can you get PPE?

Standard procurement methods are the best way to move forward with obtaining the PPE. Many of our current statewide vendors have previously offered PPE and can be used to expedite purchases. We built two PPE contract portfolios that are specifically for the sourcing and manufacturing of PPE related to COVID-19. These are the PPE Sourcing Specialist (MA3556, MA3557, MA3558, MA3560) and the PPE Manufacturing (MA3554, MA3554) portfolios. These two portfolios, along with some other portfolios, such as Office and School Supplies, are a great place to start since the vendors have been vetted and are on contract.

3. Why does the price of PPE fluctuate?

The price for PPE has been fluctuating at an almost daily basis since the pandemic began. This is largely due to supply and demand problems. As the rush for PPE began, manufacturing was not ready to keep up and so the prices for items went up. This is why you should receive the latest quotes for PPE when looking to place orders. Just as the prices go up, they can also go down just as quickly. There can also be high shipping costs for airfreight vs ocean shipping.

4. What are some best practices?

Forecasting as much as possible is the best way to avoid excessive shipping charges. The more you are able to have shipped via ocean, the cheaper the overall cost will be. Airfreight can easily be over four times as expensive as shipping items over the ocean, so avoiding this is a great way to keep down costs. It is also worthwhile to order only what vendors have on-hand and order from multiple sources instead of trying to place bulk orders through one vendor. This can allow you to receive your full requirement of items faster and cheaper since you would not be dealing with international shipping.

data any longer than is needed to accomplish its specified purpose. Know what data the software is sharing and to whom. Where appropriate, include questions and evaluation criterion in your procurement for the software provider to demonstrate that its application practices sound data privacy protections. Require documentation that the represented data privacy practices are actually occurring.

For applications that are selected based on a vendor's proposed AI or algorithm, review what steps the vendor has taken to mitigate the potential for discrimination. What evidence does the vendor have, and can provide to the public entity, that its application does not discriminate based on certain data inputs? Can the vendor demonstrate a sensitivity analysis (routinely performed on deterministic systems) to know what types of inputs the application is sensitive to in the results it generates?

Lastly, memorialize these protections within your contract. Set ongoing validation procedures that demonstrate data handling and protections are occurring. That "upgrades" by a vendor to its algorithms do not create the potential for discrimination on the application's outputs. Your contract may allow a vendor to add new modules and components during the contract term. Require the vendor to notify you of these new modules (algorithms). Require that the vendor demonstrate these "upgrades" comply with the validation procedures established.

In closing, government entities should review these two publications by the Utah State Auditor's Office. Apply the key principles and questions outlined therein as appropriate to your Information Technology procurements.

For questions, contact Solomon Kingston, skingston@utah.gov

Omnia Partners Online Marketplace Portfolio

By Michael Glenn, State Contract Analyst

The State of Utah recently ran a solicitation for Online Marketplace services as the lead state for Omnia Partners. Omnia Partners is a cooperative organization that has many contracts to help provide goods and services to public entities throughout the United States. This portfolio was created to provide online marketplaces for a wide range of goods and services.

The State of Utah's solicitation resulted in 5 contractors being awarded Master Agreements with Omnia:

MA3457 – Amazon.com

MA3458 – CDW

MA3459 – Office Depot

MA3460 – Chariot Group

MA3461 – Grainger

These contracts, although they look like standard State of Utah Cooperative Contracts, are agreements between the vendor and the State of Utah in cooperation with Omnia Partners. As a result, prior to an Executive Branch Agency or other Eligible User in the State using any of these

agreements, there must be an executed Participating Addendum in place between the State of Utah and the vendor. If your agency is interested in the State of Utah executing a participating addendum with one of the above vendors, please contact Michael Glenn at michaelglenn@utah.gov.

Similar to individual contracts, this portfolio has been uploaded to the Statewide Cooperative Contract website, however, it has been uploaded as the full portfolio since the contracts listed are Master Agreements with the State of Utah and the vendors in cooperation with Omnia Partners. Since this is not an individual contract landing page, none of the vendor names are searchable terms within the Statewide Cooperative Contract search page in relation to these contracts.

More information, including copies of Master Agreements and the solicitation document, can be found on the portfolio landing page (LS100 – Online Marketplace Master Agreements) at statecontracts.utah.gov.



Small Purchases

By Jeff Johnson and Tara Eutsler, State Contract Analysts

The January 2021 update to R33-5-104 *Small Purchases* increased the dollar threshold for small purchases "unless the procurement official determines a lower amount" (R33-5-104 (3) and R33-5-104 (4)).

The Chief Procurement Officer (CPO) has determined that executive branch agencies that are subject to the Utah Division of Purchasing will remain at the \$1,000 Individual Procurement Items threshold, \$5,000 Single Procurement Aggregate Threshold, and the \$5,000 threshold for Quotes for Small Purchases.

Small Purchases without Obtaining Quotes

An executive branch agency has the authority to procure an item under the Small Purchase rule without obtaining quotes as long as the purchase falls within the following thresholds:

1. No individual procurement item may have a cost greater than \$1,000.
2. The aggregate of the entire purchase may not be greater than \$5,000
3. The annual total dollar amount paid to one vendor may not be greater than \$50,000 in a fiscal year.

Remember that whenever practical, a rotation system or other system that allows for competition when using the small purchase process (R33-5-104(4)).

Quotes for Small Purchases

When the cost of any individual item exceeds \$1,000 and the total cost of the purchase is less than \$5,000, an agency still has the ability to procure the item(s) under the Quotes for Small Purchases Process. The agency must obtain two competitive quotes with minimum specifications and a deadline for when quotes must be received. From the quotes received by the deadline, the agency must purchase from the vendor that offered the lowest quote that meets the specifications (R33-5-107(1)).

Small Purchases by the Utah Division of Purchasing

If the total cost of a procurement will exceed the \$5,000 threshold, the executive branch agency must send the procurement request to the Utah Division of Purchasing. The Division has the authority to perform quotes for small purchases up to a maximum of \$50,000.

Conclusion

Though Title R33 was revised, the State of Utah executive branch agencies retain the same thresholds for small purchases and quotes for small purchases. Executive branch agencies will continue to use the

For any questions related to small purchases, please contact your agency liaison.

The changes to Administrative Code Title R33 were effective on January 22, 2021. The changes to R33 affect public entities for which the Procurement Policy Board is identified as the rulemaking authority (63G-6a-103(77)) or public entities that have adopted Title R33-5 by rule, ordinance, or other authorized means (R33-1-2)

As an executive branch procurement official, Chris Hughes can only authorize determine the small purchase thresholds for State of Utah executive branch agencies which fall under his authority. Public entities should consult with their procurement official [see [63G-6a-103 \(57\)](#)] for additional information about small purchases within their organization.

Title R33 can be viewed at adminrules.utah.gov

Spotlight Articles



Doreen To'omalatai Egan

Doreen To'omalatai Egan is originally from Long Beach/Carson, California, but grew up in Honolulu, Hawaii as the eldest of seven children. Doreen moved back to California with her family when she was in junior high and graduated college at the University of California, San Diego in political science with a minor in economics. Doreen later moved to Virginia and attended Regent University where she received her Master's degree in government/public policy.

Doreen has been married to her husband, Patrick Egan, since 2012, and they have two children – Brooklyn (7) and Liam (5). The Egan family also has a mixed Labrador/Pit named Aspen. Doreen enjoys traveling with her family, reading, singing, and playing sports (tennis, pickleball, and volleyball) in her free time. She is a huge Sci-Fi fan. Her favorite movie is The Lord of the Rings: Fellowship of the Ring, but she thinks the whole LoR trilogy is entertaining. Doreen also loves Polynesian dance and is an Army Chemical officer.

Q and A

Q. What is the ideal chip to salsa ratio?

A. My ideal chip to salsa ratio would be 50/50 as in enough salsa to cover half the chip, but some days I lean more towards 60/40 salsa to chip.

Q. What is always a waste of money?

A. I think confetti is always a waste of money – its messy and difficult to clean.

Q. If you were going to be executed, what would your last meal be?

A. If I were going to be executed, my last meal would be a palusami and taro (Samoan-dish), but since that is pretty difficult to find, then I would say a medium-rare sirloin steak, garlic-buttered potatoes, roasted vegetables, and peach cobbler with vanilla bean ice cream.



Johana Querales

Johana Querales joined the Division of Purchasing in January 2021. She was born in Venezuela where she earned her Bachelor's degree in Mechanical Engineering, followed by a Masters in Management of Research and Development Projects, and finally a Doctorate of Philosophy in Management, validated in EEUU. She continues her career with the Division of Purchasing after 13 years working in the same field in Venezuela.

Johana is an innovative person by nature, she loves to create and adapt processes with the vision of Steve Jobs "The only way to do great work is to love what you do." In her spare time, she loves to be with her family, cook desserts, read, and learn new things, go to the gym, and travel to new places and countries.

Q and A

Q. What is the ideal chip to salsa ratio?

A. Two parts of salsa and one part of the dip, I love salsa!

Q. What is always a waste of money?

A. Paying for cable and not carrying a re-usable coffee cup.

Q. If you were going to be executed, what would your last meal be?

A. I love breakfast so eggs, ham, pancakes, cream cheese, and fruits.



Nick Strautins

Nick brings a diverse background to State Purchasing, with over a decade of experience in the United States Marine Corps, where he spent several years as an enlisted helicopter crew chief before completing his undergrad at the University of Utah and earning a commission. After a career-ending injury, he explored multiple alternate career paths, ranging from the Department of Veterans Affairs, several years managing derivative confirmations at Goldman Sachs, and a short stint as the General Manager for a large bicycle shop in the local Salt Lake area.

Raised in Anchorage Alaska, and an avid outdoor enthusiast, you can assume that if he is not at work he and his wife are somewhere in the mountains or driving south for a red rock retreat. His hobbies include biking, snowboarding, climbing, hiking, and pretty much anything else that will result in a mountain summit.

What is the ideal chip to salsa ratio?

If you are fortunate enough to have an unbroken chip, the salsa should travel 1/3 of the distance up the chip on the larger (base end). It's also important to note that this ratio is for chunky salsa specifically.

What is always a waste of money?

Ordering pasta at a restaurant, those margins are absurd.

If you were going to be executed, what would your last meal be?

A Costco bucket of Nutella, you're lying if you say you don't know what I'm talking about.



TOPIC: Utah Chapter of NIGP will host the NIGP Chapter Meeting in place of the Brown Bag Learning Series for March 18, 2019

SUMMARY: Tips and tutorials on how to get the most out of Sciquest/Jaggaer

PRESENTER: NIGP

DATE: 3/18/2021 | **TIME:** 9:30 AM—12:00 PM

Future Utah Chapter NIGP meetings

- March 18, 2021. 9:30 am - 12:00 pm
- May 20, 2021. 10:00 am - 12:00 pm
- September 16, 2021. Time TBD in case we can meet in person
- November 18, 2021. Time TBD in case we can meet in person

How to Receive the Purchasing Update Newsletter

Did you receive this newsletter from a co-worker? Do you want to receive the Purchasing Update directly? Please send an email to Tara Eutsler, teutsler@utah.gov.

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